

**UNITED STATES BANKRUPTCY COURT  
SOUTHERN DISTRICT OF NEW YORK**

SECURITIES INVESTOR PROTECTION  
CORPORATION,

Plaintiff-Applicant,

v.

BERNARD L. MADOFF INVESTMENT  
SECURITIES LLC,

Defendant.

IRVING H. PICARD, Trustee for the  
Liquidation of Bernard L. Madoff Investment  
Securities, LLC

Plaintiff,

v.

PERGAMENT EQUITIES, LLC, ROBERT  
PERGAMENT, LOIS PERGAMENT, CARL  
B. KORNBLUM, ALYSE KORNBLUM,  
COREY PLATZNER, LINDA PLATZNER,  
and THE PLATZNER ORGANIZATION,  
LLC,

Defendants.

Adv. Pro. No. 08-01789 (SMB)

SIPA Liquidation

(Substantively Consolidated)

Adv. Pro. No. 10-04944 (SMB)

**STIPULATION AND ORDER DISMISSING DEFENDANTS**  
**CARL KORNBLUM AND ALYSE KORNBLUM**

WHEREAS, on December 2, 2010, Irving H. Picard, as trustee (“Trustee”) for the liquidation of the business of Bernard L. Madoff Investment Securities LLC (“BLMIS”) under the Securities Investor Protection Act, 15 U.S.C. §§ 78aaa *et seq.* and the substantively consolidated estate of Bernard L. Madoff, commenced the above-captioned adversary proceeding (the “Adversary Proceeding”) against Carl B. Kornblum and Alyse Kornblum (the “Defendants”) in the United States Bankruptcy Court for the Southern District of New York; and

WHEREAS, Defendants submitted to the Trustee a hardship application (the “Hardship Application”) requesting that the Trustee agree to dismiss the Adversary Proceeding. In support of the Hardship Application, Defendants submitted to the Trustee financial statements and other information, all under penalty of perjury; and

WHEREAS, in reliance on the representations made by Defendants in the Hardship Application and other representations and/or materials submitted by Defendants in support of the Hardship Application, the Trustee in the exercise of his due and deliberate discretion has determined to dismiss Defendants from the Adversary Proceeding;

IT IS HEREBY agreed and stipulated between the Trustee and Defendants as follows:

1. Defendants hereby affirm (i) that all representations made by Defendants and all materials provided by Defendants have been submitted by Defendants as true and correct under penalty of perjury and (ii) that the Trustee has relied upon these materials in exercising his discretion to dismiss Defendants from the Adversary Proceeding.

2. Defendants hereby agree that to the extent it is subsequently determined that Defendants deliberately or intentionally submitted materially false and/or misleading representations, statements and/or materials in connection with the Hardship Application, the Defendants hereby agree (i) that the Trustee shall have the right to reinstitute the Adversary Proceeding against Defendants and/or pursue other remedies available to him and (ii) that Defendants agree that this Stipulation and Order shall act to toll any applicable statutes of limitation with respect to the Trustee’s commencement of any such claims and notwithstanding section 546(a) of the Bankruptcy Code, Defendants hereby agree to waive any statute of limitations defense in any such actions or claims commenced by Trustee.

3. Pursuant to Fed. R. Civ. P. 41(a), made applicable by Fed. R. Bankr. P. 7041(a),

the Trustee and Defendants hereby agree that upon approval of this Stipulation and Order by the Bankruptcy Court, except as set forth in paragraph 2 hereof, Trustee's claims against Defendants are dismissed with prejudice.

4. Upon the dismissal of Defendants, the caption of the Adversary Proceeding is hereby amended to delete Defendants from the caption. The amended caption of the Adversary Proceeding shall appear as indicated in Exhibit A to this Stipulation and Order.

5. Defendants represent that they have had ample opportunity to review and discuss this Stipulation and Order with counsel and has knowingly elected not to do so.

6. This Agreement may be signed by the parties in any number of counterparts, each of which when so signed shall be an original, but all of which shall together constitute one and the same instrument. A signed facsimile, photostatic or electronic copy of this stipulation shall be deemed an original.

7. This Stipulation and Order is subject to the approval of the Bankruptcy Court, failing which the provisions of the Stipulation and Order shall be void and of no effect.

Date: March 26, 2014

<p>IRVING H. PICARD, TRUSTEE FOR THE SIPA LIQUIDATION OF BERNARD L. MADOFF INVESTMENT SECURITIES LLC</p> <p>By: <u>/s/ Marc E. Hirschfield</u> David J. Sheehan Marc E. Hirschfield BAKER &amp; HOSTETLER LLP 45 Rockefeller Plaza New York, New York Telephone: (212) 589-4200 Fax: (212) 589-4201  <i>Attorneys for Irving H. Picard, Esq., Trustee for the SIPA Liquidation of Bernard L. Madoff Investment Securities LLC</i></p>	<p>By: <u>/s/ Alyse Kornblum</u> Alyse Kornblum 279 SW Lake Forest Way Port Saint Lucie, FL 34986</p> <p>By: <u>/s/ Carl B. Kornblum</u> Carl B. Kornblum 279 SW Lake Forest Way Port Saint Lucie, FL 34986</p>
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SO ORDERED:

By: /s/ STUART M. BERNSTEIN  
HON. STUART M. BERNSTEIN  
UNITED STATES BANKRUPTCY JUDGE

Date: March 31<sup>st</sup>, 2014